

REDUCTION OF EMPLOYEE ATTRITION IN THE WORK ENVIRONMENT

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ABSTRACT

Employee Attrition is the most critical issue faced by the corporate leaders as a result there is a shortage of skilled labor, economic growth and employee turnover. Intrinsic factors of motivation of the employees to be identified to reduce the employees attrition in which many organizations fails to identify. The main reason is each and every individual will differ accordingly. The firm should take some steps to analyze the determinants of non monetary interest and choices of the employees, and it makes an effort to identify their choices in action. Hereby the organizations need to find out the few approaches to reduce the employee attrition and retaining the skilled manpower. India is one of the attractive country for the job seeker and have a strong hiring plans.

The strategies to retain the employees should not be kept aside, it should be included with the overall strategies of the organization for strengthening the talent for the employees (i.e) the employers take initiative towards reducing the employee attrition, and today it is one of the most important issue that organizations face. When we watch many of the organizations, the strategies that they follow are competitive, most of the companies striving hard to retain the employees against their competitors. In this paper the main focus will be to bring out the reduction of employee attrition strategies, strategies to retain knowledgeable workforce, to reach the competitive advantage. Some of the suggestions are also given for improving the procedure to reduce the employee attrition.

KEYWORDS: Employees Attrition, Non-Monetary, Strategies, Competitive Advantage

INTRODUCTION

A work environment and the work culture is the orientation to success. Brilliant employers stick on to the significance of retaining the skillful and talented employees. In Indian scenario, retaining the skilled was not so important; anyhow things have been changed in this current year. Eminent Indians have not list of opportunities for doing best in the business, it might be of the second or the third place. Attrition of skilled employees and retaining the talented one is not at all important to the companies. Reduction of employee attrition is one of the organizational issues create some time to train the employees and investment involved in it, Hiring the skilled employee are involved. Since, skilled and talented employee is one of the cost creation for any organization. In most of the organizations their main estimate says that terminating or losing a middle level manager results to a loss of his remuneration. This is very worse for hiring the fresh talented who does not know about the company, require training and induction has gone through various stages.

OBJECTIVES OF THE STUDY

- The concept of employee attrition and to manage the reduction of attrition?
- The challenges and Growth of strategies for reducing the employee attrition.
- Suggestion for reducing the attrition in an organization.

Concept of Employee Retention

Organizational culture must possess the excellent quality, no hindrance in communication, involving them in decision making, meeting safety standards, corporate loyal citizen. Reduction in employee attrition involves initiating measures to motivate employees to stay within the organization for the maximum duration of time. For an employer hiring the talented one is essential and highly challenging one too. They consider that reducing the attrition is not much important than hiring. The employee's will be having a normal tendency that if he is not satisfied by the job then he is searching for some other job which suits him. Nowadays it is very important for companies to reduce the attrition rate. Reduction of attrition is not only to reduce the turnover costs or cost involved in recruitment and training process. But also the purpose of reducing the attrition is to retain the skilled employees from getting moved. The turnover cost also includes in the expenses of the company, but the consequent effort that has been taken by the organization to create a favorable environment addresses the employee requirements and it will make the employees stay within the company

Why People Leave

Reduction of employee attrition is an attempt made by the business to maintain the working environment which is allowing the staffs to remain in the same organization. Most the companies tried to figure out the needs of the employees to improve the employees job satisfaction and deducting the cost which incurred in hiring and training new staff. As compared to most of the industries, Manufacturing and outsourcing industry work is getting bored and there is less opportunities for growth. In that situation, there will be high rate of attrition is an expected one. Anyhow, there are some general reasons that makes people to leave. The survey has conducted and list out the reasons such as changing of shifts, compensation, repetitive work, unable to manage the stress level, organizational policies, stunted career growth, grievances with those in senior positions, feeling of insecurity, are all the reasons for quitting the jobs.

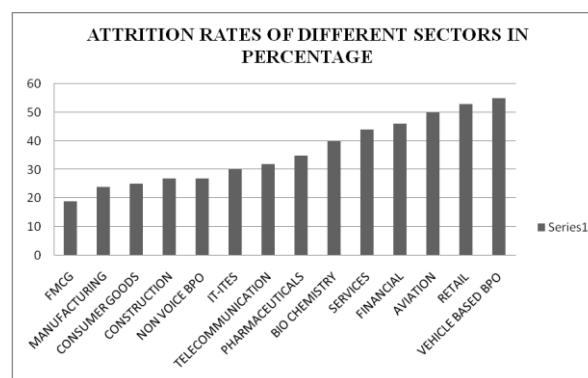


Figure 1

REVIEW OF LITERATURE

For developing the conceptual constructs and empirical research for the current research, review of literature is to be conducted. This study helped not only in identifying the gaps in the body of knowledge but it also enable to introduce the relationship of the same study with the already existing study. According to Joan Brannick's a successful employee retaining strategies will increase the value of the assets in the Balance sheet. It increase the cost twice than the actual cost when the replacement of the employee happens. A little decrease in the employee attrition always shows a very big increase in the company's bottom line. Savvy companies follow the seven strategies to retain the skilled employees by that they have increased their financial and non-financial positions in the market. According to Get Les Mckeen's concept towards reducing the employee retention is the consequent efforts taken by the management to develop an environment

that motivates the existing employees to stay employed by framing the policies and practices that meet their various needs. The cost of employee turnover includes the cost of hiring and the cost of production.

RESEARCH METHODOLOGY

In the above study, the data has been collected in a second hand ((i.e.) secondary data. The data which contains the compact review of existing literature i.e., Articles, Newspapers, Internet , Books, Magazines to know the employee attrition and the reduction scenario of the research has been undertaken so far. This study helps to identify the gaps and the relationship that exist in the current study.

The Challenges Faced to Reduce Employee Attrition

- The main reason for the employee to look for movement is dissatisfaction towards money. Each organization have their own remuneration budget for each and every employee, it can be increased to some extent not more than that. The main problem for the employer is when the employee demands very high figures more than the figure noted in the budget of the organization and they are not willing to accept it. The management wants to take care of the demands of the other employees also and they will not afford to them too. In order to avoid disputes among the employees, the remuneration of the persons working at the same cadre should not be given high or low. The skilled person or an employee is always attracted by others in the working place but the employee should not take it as advantage. They must know the position of the management and can demand something which relevant to the budget of the organization. Employee should not be stubborn on that figure, then it will become complicated for the organization to retain him and ultimately it leads to increase in employees attrition. The main thing wants to keep in mind that there is a possibility of demand at all places.
- In the recent years, it's very hard to stop the people from searching of change and new environment is a very big task. Most of the organization striving hard to hire the employees against the competitors and they tried to give attractive opportunities to attract the employees. The thirst of earning money and good position makes them to change the current job and shift to the competitor's organization. In such a case, the counseling and retaining cannot be possible.
- During Interviews individuals nod their head for all things in order to get job, even they might not excel in that particular area to convince the recruiter and to get the job. Later they realize that there is no match and they expect for a change of place. The main error occurs when a right employee enters the wrong job. The individual might lose a job when he was forced to do that work. While recruiting the employees the Human resource department must be very careful in recruiting the employees. Getting the reference in the resume is done for reliability to hesitate any future confusions.
- The individuals may felt that there is monotonous in the job in a short period of time. At the initial stage they found interesting and soon they might felt bored in doing the job and they overlook for a change. In such cases, the company find it very hard to convince them. Employee also wants to know that the organization also has some problems and in one or the other way they made an adjustment. Adjustment should be made everywhere even he is switching over to some other organization. The toughest job for the HR department is to figure out the things that actually going on the minds of the individuals. The individuals should open up their suggestions in order to make easier the management to take decisions further.

- The employees expect a lot from the job its will lead them to look for a change. For this imaginary expectations and all the solutions will not be there. Employees cannot expect all the facilities to be provided in the same organization like the other one. Many individuals come from various culture and background; they come together in an organization. Some of the issues may arise among them that should not be taken seriously. By considering the small issues the individuals might not look for a change. Individual needs some time to make their presence in the organization and strive hard to stick on the position for a period of time and by avoiding various small issues.

FINDINGS

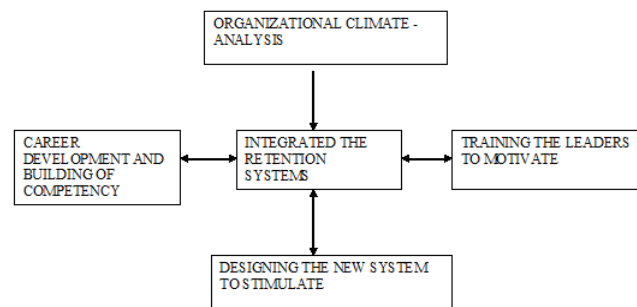
The problem of reducing the Employee retention is a very tedious issue faced by the management. Ultimately, there is more movement of skilled labor, increase in employee turnover and growth of the economy will be affected. The study focuses on the all the perspective of labor force stabilization issues in the part of unpredicted employment market with the main focus on reducing the employee attrition. The main crisis which the corporate leaders and globally face this kind of issues particularly in United States.

SUGGESTIONS TO REDUCE THE EMPLOYEE ATTRITION STRATEGIES

The work is to be conveyed to the employees clearly and without any misunderstanding. The elements of the job, its significance, the ways and means to achieve it and the maximum time allocated to achieve that task completely etc., must be intimated clearly. If there is any alterations in the task that must be priory intimated to the employees.

- The employer must provide all the requirements for the training process, the tools and time allotted to do their job efficiently otherwise they will switch on to another employer who provides all the needful.
- Watch all the employees will talk to each other at various situations. Employee complaints should be resolved. There is no biased treatment in solving the complaints regarding the employees. Give counseling to the employees to reduce the work stress as much as possible even outside the work too. Special offers and gifts to them can be given encourage the employees. The employees should be treated well and with the job dignity and concessions also given to them for working in the organization.
- The reduction of employee attrition depends on the quality of supervision of the employee that he receives, this issue will arise frequently.
- Employees are likely to work in a stress free work environment. People wants to work in something cheerful and fun full environment.
- Ensure that the work done by the employees is significant for the organization. Employer should feel that the work done by the employee is more valuable. The valued feeling by their management is the highest motivational factor to the employee. The strengths of the employee must be recognized and the lacking areas to be improved.
- The periodical raise in the remuneration can reduce the employee attrition, they must have a thought that they have been recognized, appreciated and rewarded.
- Providing great opportunities for career growth. Motivating the employees to take the higher openings. If they fails to get any growth then they search job anywhere else.

- Initiatives of work-life balance is important. The policies related to the employees working hours should be flexible, emergency leave, health care for self and their family etc. are required for most people. This would have the positive effect on reducing the employee attrition and attracting highly qualified recruits are also possible.



Source: <http://www.strategic-change.com/erc/retentionsystem.html>

Figure 2

The transformation of organizational culture and enhancing competitive edge is very essential for achieving the competitive advantage. The employee career paths and skill building should be enhanced by the employer: career path designing, not necessarily with the organizational chart, core competency identification for different careers, training plans and availability of opportunities to build competencies, mentoring of employees. Providing training to the supervisors and manage inculcating the methods of motivational leadership building and sharing the direction towards the vision, how to develop the capabilities of others may be by recognizing, appreciating employee contribution. Reduction of employee attrition was connected with rewards and recognition system to fit to the organizational environment.

CONCLUSIONS

The working environment should be a pleasant one, where the employee willing to spent time. In an organization senior management and Human Resource department must take steps to reduce the attrition rate. In day-to-day activities efficient way of functioning of human resource management should be practiced at strategic levels. The best company policies reflect the HR management practices and how they manage and ultimately it reflects and relates to the employees. There is a connection of the business strategy and HR strategy that has been emerged from transactional role. The HR personnel must know the problems which are regularly faced by the employees and he must know how to solve the problem creatively. The strategy which gives success to the management make sure that the strategy increases the value throughout the organization, the process to be implemented sincerely, the full involvement of the top officials and enthusiastic in framing the strategy is important. This concludes that reducing the employee attrition can be effected by stimulating the employees in the perspective of open exchange of ideas that creates loyalty among employees.

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